



House of Representatives

General Assembly

File No. 305

February Session, 2006

House Bill No. 5040

House of Representatives, April 3, 2006

The Committee on Planning and Development reported through REP. WALLACE of the 109th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING CITY AND TOWN DEVELOPMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 7-488 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2006*):

3 (a) A municipality [shall have the power to] may make loans, which
4 for the purposes of this section shall also include commitments to
5 make loans, temporary loans and advances in anticipation of
6 permanent loans, to any sponsor to provide funds [in furtherance of
7 the purposes] to implement the provisions of this chapter; provided
8 such loans shall be made only after the municipality finds and
9 determines that similar loans are not otherwise available to such
10 sponsors, wholly or in part, from private lenders upon reasonably
11 equivalent terms and conditions.

12 (b) All loans shall be subject to any rules and regulations of the
13 municipality established by resolution with respect to the making of
14 such loans, and the use of the proceeds of all loans shall be restricted to

15 only those activities [which are in furtherance of the purposes] that
16 implement the provisions of this chapter. Loans shall be evidenced by
17 a note or bond, shall be secured or unsecured, shall be in such
18 amounts, shall bear such date or dates, shall mature at such time or
19 times, may be subject to prepayment and may contain such other
20 provisions consistent with the purposes of this chapter as the
21 municipality shall by resolution determine. Each such loan shall be
22 authorized by a separate resolution of the legislative body of the
23 municipality.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2006	7-488

PD *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill makes technical changes and therefore has no fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

**OLR Bill Analysis
HB 5040**

AN ACT CONCERNING CITY AND TOWN DEVELOPMENT.

SUMMARY:

This bill makes technical changes to statutes on city and town development and municipal loan-making.

EFFECTIVE DATE: October 1, 2006

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 16 Nay 0 (03/17/2006)